

Meeting Copy

AGENDA

STATE BUILDING COMMISSION MEETING

EXECUTIVE SUBCOMMITTEE

EXECUTIVE CONFERENCE ROOM

GROUND FLOOR, STATE CAPITOL

SEPTEMBER 25, 2006

10:30 A.M.

TENNESSEE BOARD OF REGENTS

Southwest Tennessee Community College, Memphis

- 1) Review of a request for APPROVAL to INCLUDE COMMISSIONING for
Macon Cove New Library Building
at Southwest Tennessee Community College in Memphis, Tennessee.

Estimated Project Cost:	\$17,825,000.00
Source of Funding:	
05/06 Current Funds – Capital Outlay	2,270,000.00
2005 G. O. Bonds – Capital Outlay	14,740,000.00
Access Fees	815,000.00
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	17,825,000.00

SBC Project No. 166/033-03-2005

The joint venture of Williamson Pounders Architects/Evans Taylor Foster Childress are the designers for this 76,000 sf library construction project. Commissioning is included in the scope of the project and will not increase the total project cost

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, REQUESTING WAIVER of APPRAISALS:

Description:	<u>Hamilton County – 1.66 +/- acres improved with a 10,000 sq. ft. building – Chattanooga State Technical Community College – Chattanooga, TN – Trans. No. 06-08-017 (LW)</u>
Purpose:	Acquisition in Fee to house the Media Services Department, Media Technology Academic Program, sculpture course & general education classes.
Source of Funding:	TSSBA
Estimated Cost:	TBOR hopes to negotiate price for \$675,000
Owner(s):	Greater Chattanooga Public Television Corp.
Comment:	The building is currently being used to house public television station WTCI, Channel 45.
SSC Report:	09-18-06. Jurgen Bailey summarized the transaction. Jerry Preston stated that this property is an in-holding inside the campus and critical for academic space. Staff referred to Sub-Committee for discussion.

TENNESSEE BOARD OF REGENTS

DISCUSSION ITEM

Pellissippi State Technical Community College – 9.6 +/- acres – Trans. No. 06-01-026

The transaction was approved on February 21, 2006. An appraisal established the fair market value in the amount of \$1,020,000. However, the property was sold to another party before we could present an Option to Purchase.

The property borders the southeast edge of PSTCC. It is important to acquire this property to protect the Pellissippi State campus from commercial encroachment.

TBOR is requesting to condemnation to acquire the property.

SSC Report: 09-18-06. Jurgen Bailey summarized the transaction. Jerry Preston stated that this transaction was critical in order to protect the entrance to the campus from potential commercial / or residential development. Staff referred to Sub-Committee for discussion.

TENNESSEE BOARD OF REGENTS

DISCUSSION ITEM

Discuss the conveyance/status of the United States Postal Service building and City of Memphis Property located at 1 North Front Street to the State of Tennessee.

Transaction No. 06-09-001(LW)

SSC Report: 09-18-06. Jurgen Bailey summarized the transaction. Jerry Preston stated that this acquisition has a 90-day due diligence period in order for the Board to check out the building structure, environmental survey and do the necessary investigation. This building will be used for the Memphis School of Law; \$5.3 million (gift funds) has been negotiated to build a 29,000 sq. ft. building for the U. S. Post Office; \$42 million has been approved by State to renovate the 175,000 sq. ft. post office building. The Board will request final approval to acquire this property in November if property meets it expectations. Staff referred to Sub-Committee for discussion.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of EASEMENTS in real property with WAIVER of ADVERTISEMENTS and APPRAISALS with the RIGHT of ENTRY as required by TCA 4-15-102 and 12-2-112.

Description:	<u>Carroll County – 4" flowage, dam and spillway easements under West TN River Basin's authority located near Huntingdon, TN – Trans. No. 06-09-002 (BW)</u>
Purpose:	Transfer of easements to relieve maintenance costs and responsibilities from State to local ownerships.
Sale Price:	Grant
Grantee:	Tennessee Land Partners, LLC
SSC Report:	09-18-06. Jurgen Bailey summarized the transaction. Kim Kirk stated that Tennessee Land Partners, LLC is developing property around the lake as a residential development. The responsibility and maintenance cost of the dam structure and its maintenance will be pro-rated among all the property owners around the lake relieving the costs from the State to the Homeowners Association. Staff referred to Sub-Committee with recommendation.

DEPARTMENT OF AGRICULTURE

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Marion County – 2,248 +/- acres – adjoining Prentice Cooper State Forest, Signal Mountain, TN – Trans. No. 06-08-011 (GM)</u>
Purpose:	Acquisition by Easement of Phase 2 of Forest Legacy project identified as Big Forks Tree Farm.
Source of Funding:	USDA Forest Legacy Grant - \$1,500,000 Donation - \$500,000
Estimated Cost:	\$1,100,000
Estimated Title, Appraisal and Survey Fees:	Fair Market Value
Owner(s):	Sarah Gwynn
SSC Report:	09-18-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for discussion.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Dyer County – 268.46 +/- acres – Moss Island Refuge/Wildlife Management Agency & Whites Lake Refuge, Dyersburg, TN – Trans. No. 06-08-006 (RJ)</u>
Purpose:	Acquisition in Fee of these tracts is being acquired under the Wetland Acquisition program and fund.
Source of Funding:	NAWCA grant funds - \$1,000,000 Wetland funds - \$4,449,587
Estimated Cost:	Fair Market Value
Owner(s):	Jill George
SSC Report:	09-18-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Dyer County – 788.40 +/- acres – Moss Island Refuge/Wildlife Management Agency & Whites Lake Refuge, Dyersburg, TN – Trans. No. 06-08-007 (RJ)</u>
Purpose:	Acquisition in Fee of these tracts is being acquired under the Wetland Acquisition program and fund.
Source of Funding:	NAWCA grant funds - \$1,000,000 Wetland funds - \$4,449,587
Estimated Cost:	Fair Market Value
Owner(s):	George Doyle
SSC Report:	09-18-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Dyer County – 113.00 +/- acres – Moss Island Refuge/Wildlife Management Agency & Whites Lake Refuge, Dyersburg, TN – Trans. No. 06-08-008 (RJ)</u>
Purpose:	Acquisition in Fee of these tracts is being acquired under the Wetland Acquisition program and fund.
Source of Funding:	NAWCA grant funds - \$1,000,000 Wetland funds - \$4,449,587
Estimated Cost:	Fair Market Value
Owner(s):	Thomas D. Foster
SSC Report:	09-18-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Dyer County – 1,562.10 +/- acres – Moss Island Refuge/Wildlife Management Agency & Whites Lake Refuge, Dyersburg, TN – Trans. No. 06-08-009 (RJ)</u>
Purpose:	Acquisition in Fee of these tracts is being acquired under the Wetland Acquisition program and fund.
Source of Funding:	NAWCA grant funds - \$1,000,000 Wetland funds - \$4,449,587
Estimated Cost:	Fair Market Value
Owner(s):	Kirk Farms
SSC Report:	09-18-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

TENNESSEE WILDLIFE RESOURCES AGENCY

DISCUSSION ITEMS

1. Discussion seeking approval to allow a non-profit, (The Nature Conservancy), to acquire a two-acre tract in Montgomery County to protect a bat cave habitat and to sell it to State at fair market value.
2. Discussion seeking approval to allow a non-profit (The Nature Conservancy), to acquire an ecologically sensitive 4,200 acre tract in Fentress County and subsequently donate the land to the State as a gift to manage the properties.
3. Discuss T.W.R.A.'s Annual Report to S.B.C. for Share Crop Program.

SSC Report: 09-18-06. Jurgen Bailey summarized the discussion items. John Gregory presented the purpose for each discussion item. Staff referred to Sub-Committee for discussion.

TENNESSEE BUREAU OF INVESTIGATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Knox County – 5.0 +/- acres – Strawberry Plains Pike, Strawberry Plains, TN – Transaction No. 05-09-001 (JB)</u>
Purpose:	Acquisition in Fee to provide site to build the new TBI Forensic Lab.
Source of Funding:	SBC Project No. 500/003-01-2005
Owner(s):	Marvin & Wanda Neal
Comment:	Property appraised at \$875,000 "as is" without any site improvement. Sales price of \$950,000 was negotiated. Owner will get site ready provide water, sewer, electricity and gas and build common access road to site.
SSC Report:	11-14-05. Jurgen Bailey summarized the transaction. Ed Jones, Assistant Director, presented the transaction. Staff referred to Sub-Committee for recommendation.
SC Action:	11-21-05. Charles Garrett presented the transaction. Subcommittee questioned the need to locate the facility in an area where the cost of commercial property is so high. Mr. Garrett stated that they had looked at 12-15 sites and all were expensive, but that this was located near the interstate for easy access. Treasurer Sims stated that the East side was critical to their operation. After general discussion, Subcommittee approved the request as presented. Final action.
Comment:	Requesting further approval to pay an additional \$98,000 to owner for utility upgrades required to make this site work for the TBI Lab.
SSC Report:	09-18-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

DEPARTMENT OF SAFETY

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Lincoln County – 4110 Thornton Taylor Parkway, Fayetteville, TN – Trans. No. 05-06-908 (JS)

Purpose: To provide office space for DLI & THP for county operations

Term: September 1, 2007 thru August 31, 2017 (10 yrs)

Proposed Amount:	<u>4,234 Square Feet</u>		
	Annual Contract Rent:	\$52,200.00	@\$12.33/sf
	Est. Annual Utility Cost:	\$ 5,927.60	@\$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 4,657.40</u>	<u>@\$ 1.10/sf</u>
	Total Annual Effective Cost:	\$62,785.00	@\$14.83/sf

Current Amount:	<u>1,500 Square Feet</u>		
	Annual Contract Rent:	\$13,000.08	@\$ 8.67/sf
	Est. Annual Utility Cost:	\$ 2,100.00	@\$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 1,650.00</u>	<u>@\$ 1.10/sf</u>
	Total Annual Effective Cost:	\$16,750.08	@\$11.17/sf

Type: New Lease – Advertised for the second time – Receive only one proposal from the current lessor

FRF Rate: \$12.50 per square foot

Purchase Option: Yes – 1 thru 10 yrs

Lessor: Don Gray, current lessor

Comment: The proposed lease provides (1) Lessor shall construct a new facility including tenant improvements at no additional cost to the State, and (2) proposed lease has no cancellation for the first five (5) years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 09-18-06. Bob King summarized the transaction. Staff referred to Sub-Committee with recommendation.

DEPARTMENT OF FINANCE AND ADMINISTRATION

FACILITIES REVOLVING FUND

- 1) Review of a request for APPROVAL of PROPOSED RATE INCREASE for the **Facilities Revolving Fund** in selected counties statewide.

This matter was referred by the SBC on 9/14/06 to the Subcommittee, with authority to act.

STATE BUILDING COMMISSION

MINUTES OF SUBCOMMITTEE MEETING

- 1) READING and APPROVAL of the Minutes of the Executive Subcommittee meeting held on August 25, 2006.

CONSENT AGENDA

Review of a request for APPROVAL of the following REAL PROPERTY TRANSACTIONS, which have been reviewed and recommended for approval by Sub-Committee staff:

- A. Agency: University of Tennessee – Knox County
Transaction: Acquisition in Fee
- B. Agency: Tennessee Board of Regents – Lewis County
Transaction: Acquisition in Fee
Provision: Demolition Approval
- C. Agency: Tennessee Board of Regents – Sumner County
Transaction: Disposal of Easement
Provision: Waiver of Advertisement & Appraisal
- D. Agency: Department of Environment & Conservation – Giles County
Transaction: Acquisition in Fee
- E. Agency: Department of Transportation – Wilson County
Transaction: Disposal in Fee
Provision: Waiver of One Appraisal
- F. Agency: Department of Military – Johnson County
Transaction: Disposal in Fee
Provision: Waiver of Advertisement & Appraisal
- G. Agency: Department of Military – Anderson County
Transaction: Disposal in Fee
Provision: Waiver of Advertisement & Appraisal
- H. Agency: Tennessee Wildlife Resources Agency – Shelby County
Transaction: Acquisition in Fee
Provision: Waiver of Appraisal
- I. Agency: Tennessee Wildlife Resources Agency – Anderson County
Transaction: Disposal by Easement
Provision: Waiver of Advertisement & Appraisals
- J. Agency: Department of Human Services – Washington County
Transaction: Lease Agreement
- K. Agency: Department of Children’s Services – Davidson County
Transaction: Lease Agreement

- L. Agency: Department of Children's Services – Shelby County
Transaction: Lease Agreement
- M. Agency: Finance & Administration for Departments of Human & Children's Services – Grundy County
Transaction: Lease Agreement
- N. Agency: Finance & Administration for Departments of Human & Children's Services – Macon County
Transaction: Lease Agreement

UNIVERSITY OF TENNESSEELAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Knox County – 0.17 +/- acres – 913 - 22nd Street, Knoxville, TN - Trans. No. 06-08-013 (FB)</u>
Purpose:	Acquisition in Fee to purchase the property. The property is in the University's Master Plan.
Source of Funding:	University of Tennessee
Estimated Cost:	Fair Market Value
Owner(s):	The Melrose Group, LLC
SSC Report:	09-18-06. Jurgen Bailey summarized the transaction. Alvin Payne stated that the property was in the Master Plan and the importance of the purchase of the property for the University. Staff referred to Sub-Committee for consent agenda.

TENNESSEE BOARD OF REGENTSLAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, REQUESTING DEMOLITION APPROVAL not to exceed the appraised value for the property being acquired:

Description:	<u>Lewis County – 1.9 +/- acres with improvements – adjacent to TN Technology Center – 829 West Main Street, Hohenwald, TN – Trans. No. 06-08-005 (LW)</u>
Purpose:	Acquisition in Fee for future expansion and immediate parking
Source of Funding:	R & R Campus Plant Funds
Estimated Cost:	Fair Market Value
Owner(s):	Judy A. Mercer
SSC Report:	09-18-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

TENNESSEE BOARD OF REGENTSLAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT of interest in real property with WAIVER of ADVERTISEMENT and ONE (1) APPRAISAL as required by TCA 4-15-102 and 12-2-112.

Description: Sumner County – 0.117 +/- acres – 460 feet long along northern property boundary from the NW corner slope easement & 0.209 +/- acres – temporary construction easement (up to 3 years) at Volunteer State Community College, Gallatin, TN – Trans. No. 06-08-016 (LW)

Purpose: Disposal by Easement to accommodate construction of a connector road from the bypass to Nashville Pike, to be constructed by TDOT.

Estimated Sale Price: \$9,000 (includes \$500 REM Fee)

Grantee: Sumner County

SSC Report: 09-18-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Giles County – 0.7 +/- acres – Sam Davis Memorial State Historic Site - 128 Sam Davis Avenue, Pulaski, TN – Transaction No. 06-03-011 (RJ)</u>
Purpose:	Acquisition in Fee to expand the museum on the Civil War era and preserve the existing integrity of the museum, surrounding historic district and creating a walking trail.
Source of Funding:	State Land Acquisition Fund - \$18,664.80 Giles County Historical Society - \$ 9,335.20
Estimated Cost:	Fair Market Value
Owner(s):	Johnny Mark Johnson
Comment:	Property is known as the Johnson tract
SSC Report:	04-17-06. Jurgan Bailey summarized the transaction. Charles Harrison requested that we acquire property at Fair Market Value not to exceed \$28,000.00. If transaction exceeds this amount it will require further review by staff. Staff referred to Sub-Committee for consent agenda.
SC Action:	04-24-06. Approved as presented. Final action.
Comment:	Requesting further approval to acquire subject property at appraised value of \$33,800.
SSC Report:	09-18-06. Jurgan Bailey summarized the transaction. Mike Baumstark stated the State Land Acquisition Fund will make up the difference in the lost. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF TRANSPORTATIONLAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ONE (1) APPRAISAL as required by TCA 4-15-102 and 12-2-112:

Description:	<u>Wilson County – 3.696 +/- acres – Tract No. 6 ROW, Mt. Juliet, TN – Trans. No. 06-07-020 (FB)</u>
Purpose:	Disposal in Fee for property previously conveyed by quitclaim deed to the City of Mt. Juliet with a reversionary clause in April 2006. City wants to buy the property at fair market value to release the reversionary clause.
Estimated Sale Price:	Fair Market Value
Grantee:	City of Mt. Juliet
Comment:	Project No. IR-40-5(80)225
SSC Report:	09-18-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF MILITARYLAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ADVERTISEMENT and ONE APPRAISAL as required by TCA 4-15-102 and 12-2-112:

Description:	<u>Johnson County - .13 +/- acres – Mountain City Armory, Mt. City, TN – Trans. No. 06-05-009 (FB)</u>
Purpose:	Disposal in Fee to amend previous approval of Disposal by Lease
Original Cost to State:	Gift
Date of Original Conveyance:	1994
Grantor Unto State:	Johnson City & Mountain City
Grantee:	Bob Pardue
Comment:	Mr. Pardue needs to expand is Lawn & Garden Center
SSC Report:	09-18-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF MILITARYLAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112:

Description:	<u>Anderson County – 8.29 +/- acres improved with 11,014 +/- sq. ft. armory and associated buildings – Oak Ridge, TN – Trans. No. 06-07-002 (LW)</u>
Purpose:	Disposal in Fee of the property & improvements to the City of Oak Ridge for a Community Center
Original Cost to State:	Donation
Date of Original Conveyance:	March 1963
Grantor Unto State:	City of Oak Ridge
Estimated Sale Price:	Gift
Grantee:	City of Oak Ridge
Comment:	Girls, Inc. will continue using the softball field and the Kennel Club has relocated.
SSC Report:	09-18-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

TENNESSEE WILDLIFE RESOURCES AGENCYLAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, REQUEST WAIVER OF APPRAISALS for the property being acquired:

Description:	<u>Shelby County – 1.96 +/- acres – Memphis, TN – Trans. No. 06-08-010 (RJ)</u>
Purpose:	Acquisition in Fee to provide opportunities for viewing wildlife and to be used for mitigation of wetlands to protect the riparian habitat along the Loosahatchie River.
Source of Funding:	Tennessee Wildlife Resources Agency Funds
Estimated Cost:	Fair Market Value
Owner(s):	Landstone Medical Properties, LLC
SSC Report:	09-18-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

TENNESSEE WILDLIFE RESOURCES AGENCYLAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112.

Description:	<u>Anderson County – 2.0 +/- acres for each site– Sundquist WMA, New River City, TN – Trans. No. 06-08-012 (RJ)</u>
Purpose:	Disposal by Easement for gas wells, pipelines and road access. Well numbers are AD 1028, AD 1030 and AD 1033.
Estimated Sale Price:	License Funds
Grantee:	Knox Energy Company, Joe Congelton
SSC Report:	09-18-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF HUMAN SERVICES

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Washington County – 103 East Walnut Street, Johnson City, TN – Trans. No. 06-03-901 (JS)

Purpose: To provide office space for county operations

Term: August 1, 2007 thru July 31, 2017 (10 yrs)

Proposed Amount: 15,895 Square Feet

Annual Contract Rent Incl. Annual		
Utility Cost:	\$149,412.96	@ \$ 9.40/sf
Est. Annual Janitorial Cost:	\$ 17,484.50	@ \$ 1.10/sf
Total Annual Effective Cost:	\$166,897.46	@ \$10.50/sf

Current Amount: 14,000 Square Feet

Annual Contract Rent:	\$120,000.00	@ \$ 8.57/sf
Est. Annual Utility Cost:	\$ 19,600.00	@ \$ 1.40/sf
Est. Annual Janitorial Cost:	\$ 15,400.00	@ \$ 1.10/sf
Total Annual Effective Cost:	\$155,000.00	@ \$11.07/sf

Type: New Lease – Advertise – Received six (6) proposals from four (4) proposers. Lowest from the current lessor.

FRF Rate: \$13.50 per square foot

Purchase Option: Yes – 1 thru 10 yrs

Lessor: Twin Oaks Development Partners, current lessor

Comment: The proposed lease provides (1) Lessor shall construct 1,895 sq. ft. addition to the existing building including tenant improvements at no additional cost to the State, and (2) proposed lease has no cancellation for the first five (5) years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 09-18-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF CHILDREN'S SERVICESLEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Davidson County – 289 Plus Park Blvd., Suite 100, Nashville, TN – Trans. No. 06-02-904 (JS)

Purpose: To provide office space for Davidson County Region

Term: July 1, 2007 thru June 30, 2017 (10 yrs)

Proposed Amount: 12,500 Square Feet

Annual Contract Rent:	\$124,375.00	@ \$ 9.95/sf
Est. Annual Utility Cost:	\$ 17,500.00	@ \$ 1.40/sf
Est. Annual Janitorial Cost:	<u>\$ 13,750.00</u>	<u>@ \$ 1.10/sf</u>
Total Annual Effective Cost:	\$155,625.00	@ \$12.45/sf

Current Amount: 12,690 Square Feet

Annual Contract Rent Incl. Annual Utility & Janitorial Cost:	<u>\$174,487.50</u>	<u>@ \$13.75/sf</u>
Total Annual Effective Cost:	\$174,487.50	@ \$13.75/sf

Type: New Lease – Advertise – Receive four (4) proposals from three (3) proposers.

FRF Rate: \$18.00 per square foot

Purchase Option: No – Multi-tenant

Lessor: Daymar Properties of Nashville, LLC

Comment: The proposed lease provides (1) Lessor shall build-out 12,500 sq. ft. including tenant improvements at no additional cost to the State, and (2) proposed lease has no cancellation for the first five (5) years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 09-18-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF CHILDREN'S SERVICESLEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Shelby County – 1991 Corporate Avenue, Memphis, TN – Trans. No. 06-03-915 (AL)

Purpose: To provide office space for county operations

Term: January 1, 2007 thru December 31, 2011 (5 yrs)

Proposed Amount: 17,986 Square Feet
 Annual Contract Rent Incl. Annual
 Utility & Janitorial Cost: \$250,000.00 @\$13.90/sf
 Total Annual Effective Cost: \$250,000.00 @\$13.90/sf

Current Amount: 17,986 Square Feet
 Annual Contract Rent Incl. Annual
 Utility & Janitorial Cost: \$298,207.80 @\$16.58/sf
 Total Annual Effective Cost: \$298,207.80 @\$16.58/sf

Type: New Lease – Advertise – Receive Thirteen (13) proposals from six (6) proposers, six (6) proposals are non-conforming. Lowest conforming proposal is the current lessor.

FRF Rate: \$17.00 per square foot

Purchase Option: No – Multi-tenant

Lessor: JP Memphis, LLC, current lessor

Comment: The proposed lease provides no cancellation except for cause and/or lack of funding.

SSC Report: 09-18-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF FINANCE & ADMINISTRATION
for
DEPARTMENTS of HUMAN & CHILDREN'S SERVICES

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Grundy County – 606 Highway 41, Tracy City, TN – Trans. No. 05-10-907 (RS)

Purpose: To provide office space for county operations

Term: August 1, 2007 thru July 31, 2017 (10 yrs)

Proposed Amount:	<u>10,100 Square Feet</u>		
	Annual Contract Rent:	\$ 99,990.00	@ \$ 9.90/sf
	Est. Annual Utility Cost:	\$ 14,140.00	@ \$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 11,110.00</u>	<u>@ \$ 1.10/sf</u>
	Total Annual Effective Cost:	\$125,240.00	@ \$12.40/sf

Current Amount:	<u>5,700 Square Feet</u>		
	Annual Contract Rent:	\$43,800.00	@ \$ 7.68/sf
	Est. Annual Utility Cost:	\$ 7,980.00	@ \$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 6,270.00</u>	<u>@ \$ 1.10/sf</u>
	Total Annual Effective Cost:	\$58,050.00	@ \$10.18/sf

Type: New Lease – Advertise – Lowest and only proposal received from the current lessor.

FRF Rate: \$12.50 per square foot

Purchase Option: Yes – 1 thru 10 yrs

Lessor: Pedigo-Tracy Properties, LP, current lessor

Comment: The proposed lease provides (1) Lessor shall construct 4,400 sq. ft. addition to the existing building including tenant improvements at no additional cost to the State, and (2) proposed lease has no cancellation for the first five (5) years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 09-18-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF FINANCE & ADMINISTRATION
for
DEPARTMENTS of HUMAN & CHILDREN'S SERVICES

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Macon County – 403 Highway 52 ByPass East, Lafayette, TN – Trans. No. 06-01-909 (RS)

Purpose: To provide office space for county operations

Term: July 1, 2007 thru June 30, 2017 (10 yrs)

Proposed Amount: 7,200 Square Feet

Annual Contract Rent:	\$73,896.00	@\$10.26/sf
Est. Annual Utility Cost:	\$10,080.00	@\$ 1.40/sf
Est. Annual Janitorial Cost:	<u>\$ 7,920.00</u>	<u>@\$ 1.10/sf</u>
Total Annual Effective Cost:	\$91,896.00	@\$12.76/sf

Current Amount: 5,200 Square Feet

Annual Contract Rent:	\$42,900.00	@\$ 8.25/sf
Est. Annual Utility Cost:	\$ 7,280.00	@\$ 1.40/sf
Est. Annual Janitorial Cost:	<u>\$ 5,720.00</u>	<u>@\$ 1.10/sf</u>
Total Annual Effective Cost:	\$55,900.00	@\$10.75/sf

Type: New Lease – Advertise – Lowest and only proposal received from the current lessor.

FRF Rate: \$12.50 per square foot

Purchase Option: Yes – 1 thru 10 yrs

Lessor: Pedigo-Lafayette Properties, LP, current lessor

Comment: The proposed lease provides (1) Lessor shall construct 2,000 sq. ft. addition to the existing building including tenant improvements at no additional cost to the State, and (2) proposed lease has no cancellation for the first five (5) years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 09-18-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.